

INITIAL STATEMENT OF REASONS

ADOPTION OF NEW REGULATIONS CREATING AN ADMINISTRATIVE REVIEW PROCESS WHEN THE ATTORNEY GENERAL REFUSES TO REGISTER, OR REVOKES OR SUSPENDS THE REGISTRATION OF CHARITABLE ENTITIES AND FUNDRAISING PROFESSIONALS PURSUANT TO GOVERNMENT CODE SECTION 12598

I. General Purpose of Regulations

The proposed regulations add sections 999.6 - 999.8 to Chapter 15 of Title 11, Division 1 of the California Code of Regulations, under the authority of Government Code section 12598, which provides for the Attorney General's right to refuse to register, or to revoke or suspend the registration of charitable trustees and fundraising professionals required to register with, and report to the Attorney General. The new sections will provide for an administrative review process when the Attorney General exercises his authority regarding registration status, consistent with the provisions of Chapter 4.5 (commencing with 11400) of Part 1 of Division 3 of Title 2 of the Government Code.

II. Technical Studies Relied Upon

The Attorney General did not rely upon any technical, theoretical or empirical study, report, or other similar document in proposing these regulations.

III. Alternatives to the Proposed Regulations

Adoption of these proposed regulations is necessary to enable the Attorney General to carry out his enforcement responsibilities pursuant to the Supervision of Trustees and Fundraisers for Charitable Purposes Act, Chapter 6 (commencing with section 12580) of Title 2 of Division 3 of the Government Code. There are no reasonable alternatives.

IV. Economic Impact on Business

The proposed regulations do not have any direct effect on business. The regulations will provide charitable entities and fundraisers the right to contest administrative action taken regarding registration status.

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